GAO/ID-82-36

BY THE U.S. GENERAL ACCOUNTING OFFICE

# Report To The Administrator, Agency For International Development

# Experience--A Potential Tool For Improving U.S. Assistance Abroad

COMPLETED
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The Agency for International Development and its predecessor agencies have provided development assistance for about 34 years and should apply the lessons from this experience to increase the success of development projects and more effectively use foreign assistance funds.

This report examines how AID identifies, records, and uses this knowledge and experience from development projects and contains certain recommendations for improving those actions. AID needs to require the systematic and comprehensive identification, recording and use of experience in designing and implementing projects. GAO also recommends methods for AID to improve its institutional memory system and the use of this system.

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WASHINGTON, D.C. 20548

INTERNATIONAL DIVISION

B-207650

The Honorable M. Peter McPherson
Administrator, Agency for International
Development

Dear Mr. McPherson:

This is our report entitled "Experience--A Potential Tool for Improving U.S. Assistance Abroad." It summarizes the results of our examination of how the Agency for International Development identifies, records, and uses the knowledge and experience gained from development projects.

This report contains recommendations to you on pages 15 and 23. As you know, section 236 of the Legislative Reorganization Act of 1970 requires the head of a Federal agency to submit a written statement on actions taken on our recommendations to the Senate Committee on Governmental Affairs and the House Committee on Government Operations not later than 60 days after the date of the report and to the House and Senate Committees on Appropriations with the agency's first request for appropriations made more than 60 days after the date of the report.

We are sending copies of this report to the Director, Office of Management and Budget, and to the cognizant congressional appropriation and authorization committees.

Sincerely yours,

Frank C Conahan

Frank C. Conahan
Director

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GENERAL ACCOUNTING OFFICE
REPORT TO THE ADMINISTRATOR,
AGENCY FOR INTERNATIONAL
DEVELOPMENT

# EXPERIENCE--A POTENTIAL TOOL FOR IMPROVING U.S. ASSISTANCE ABROAD

## D I G E S T


The Agency for International Development committed, but unspent, project assistance funds increased by 325 percent--from around $1.6 billion in 1975 to nearly $5.3 billion as of September 30, 1981.

Many causal factors both within and outside Agency influence have contributed to the recent slow project completion record. Prior GAO and AID reports have shown that problems hindering the success of development projects are not unique and continue to exist. The Congress has expressed concern that AID should improve development projects on the basis of lessons learned and that AID must ensure replication of successful projects elsewhere in the world. Accordingly, GAO reviewed how AID identifies, records, and uses the knowledge and experience gained from development projects. (See ch. 1.)

### APPLYING LESSONS LEARNED

GAO found that the Agency staff does apply lessons learned in developing new projects. The application of this information, however, is restricted primarily to the personal initiative and experience of individuals involved in a particular project. This personal experience network for finding and using lessons learned is weakened due to staff turnover. (See ch. 2.)

### RECORDING LESSONS LEARNED

GAO also found that lessons learned are neither systematically nor comprehensively identified and recorded during the life of a project by those directly involved with the project. Little encouragement or incentive is provided to AID staff members to routinely identify and record the lessons they learn. (See ch. 2.) GAO believes that the AID "institutional memory" system for projects--the Development Information System--is a potentially valuable

and useful tool that can complement personal experience and other sources which AID staff members currently use. However, the use and the value of this system are limited due to

--lack of staff knowledge about the system,
--lack of user feedback,
--the necessary documents not being forwarded to DIU and subsequently entered into the system, and
--lack of a DIU information analysis service for AID staff.

The AID information system has become virtually inoperative in providing information to project designers. This system also has inadequate records of project experience. (See ch. 3.)

RECOMMENDATIONS

GAO believes that a concerted effort from Agency top management is needed to require and encourage the systematic and comprehensive identification, recording, and use of experience when designing and implementing projects. GAO recommends that the AID Administrator

--require that the AID staff identify, record, use, and forward to DIU, lessons learned in project design and implementation. These requirements should be supported by top AID management through establishment of appropriate incentives. (See p. 15.)

GAO also recommends that the AID Administrator implement actions to

--increase AID staff awareness of the information available from, and how to use, the Development Information System;

--require that the system be used;

--ensure that the system receives project and related lessons-learned documents;

--require an exchange of constructive feedback between the system and AID staff; and

--establish an information analysis capability to assist AID project designers and program managers. (See p. 23.)

* * * * *

A draft of this report was submitted to responsible officals within AID for review and comment. Overall, their comments reflected concurrence with our conclusions and recommendations. Based on the comments received changes have been made to the text of the report, where appropriate.

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## ABBREVIATIONS

| | |
|---|---|
| PES | Project Evaluation Summary |
| DIS | Development Information System |
| AID | Agency for International Development |
| GAO | General Accounting Office |
| DIU | AID Office of Development Information and Utilization |

# CHAPTER 1

## U.S. DEVELOPMENT ASSISTANCE

For about 34 years, the Agency for International Development (AID) and its predecessor agencies have provided development assistance to over 90 developing countries. Thus, AID should be

--constantly learning from its efforts; and

--retaining and applying these lessons learned to current efforts to increase chances of project success and achieve more effective use of foreign assistance funds.

The Congress has expressed concern that AID should improve future development projects on the basis of lessons learned from Agency evaluations, and that AID must ensure replication of successful projects elsewhere in the world. This report reviews how AID identifies, records, and uses the knowledge and experience it has gained, and is still gaining from its development projects.

As a result of our work, we believe shortcomings currently exist in identifying, recording, and using the knowledge that is constantly being gained throughout a project's life. We also believe that the formal, centralized institutional memory system is incomplete and is not used by the AID staff.

### INTRODUCTION

Prior to 1973, many development projects financed the construction of, and/or improvements in, capital structures, such as roads, dams, factories, port and storage facilities, and railroads. Such traditional capital projects were directed primarily at the economic growth of countries and wealthy industrial groups, based on development processes followed in the United States and Western Europe.

#### New directions mandate

In 1973, the U.S. Congress reacted to the perception that traditional economic growth strategy in poor countries provided little relief, or advantage, for the millions of poor people and that basic needs could be met through alternative development approaches. Section 102, a new provision in the Foreign Assistance Act, states:

> "United States bilateral development assistance should give high priority to undertakings submitted by host governments which directly improve the lives of the

poorest of their people and their capacity to participate in the development of their countries."1/

With the new directions mandate, development emphasis shifted from extensive investments in large capital projects to technical assistance primarily in the broad, functional areas of agriculture, food and nutrition, health and sanitation, population, and education.

## Project completion record since inception of new directions

During the period 1973-81, AID completed 1,976 development assistance projects at a cost of about $8.1 billion. However, our analysis of the AID project completion record since inception of the new directions mandate shows that only 345 projects begun any time after January 1, 1973, had been completed between January 1, 1977, and March 31, 1981. Although AID's total obligated funding for projects from fiscal year 1973 through fiscal year 1981 amounted to approximately $11 billion, the cost of these 345 completed projects amounted to less than $1 billion.

## Pipeline growth

During approximately the same period that this slow project completion has occurred, there has been a large increase in the agency's committed, but unspent, funds (commonly referred to as pipeline). While we did not determine the precise amount that this slow project completion record has contributed to pipeline increase and are aware that other factors have also contributed to its increase, we believe that this slow completion record is at least partially responsible for the increase. The following graph traces this 325-percent increase in the Agency pipeline from around $1.6 billion in 1975 to nearly $5.3 billion as of September 30, 1981.

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1/The Foreign Assistance Act of 1961, as amended in 1973, Chapter 1, Section 102.

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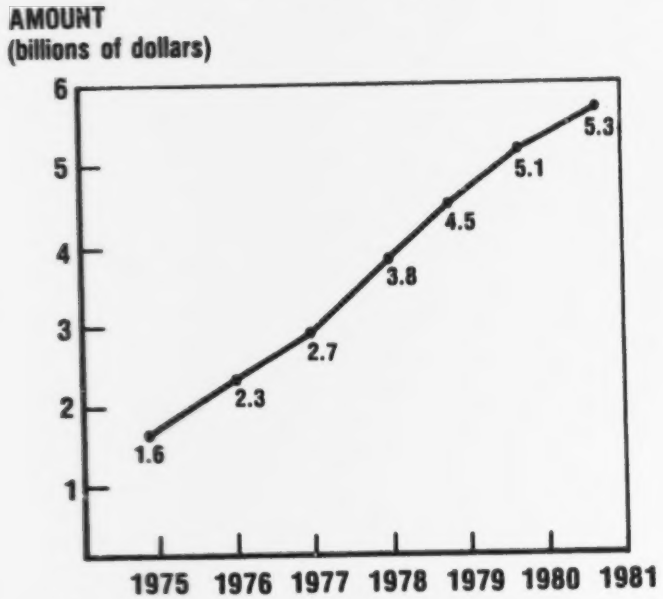
## AID PROJECT PIPELINE




Additionally, the length of time that project funds have remained unspent has increased significantly, going from an average of 16 months in 1975 to over a 23-month average in 1981.

Causal factors

Many factors both within and outside of the Agency's influence have contributed to AID's slow project completion record. Among these factors, the change in AID's orientation from capital development projects to basic human needs projects; the shift in the general implementation approach to providing larger management responsibility to host governments and intermediaries, such as contractors and private-voluntary organizations; and the increased personnel turnover and cutbacks, have all contributed to slow project completion.

We also observed--from reports on both GAO and AID reviews of AID-funded projects--that many project design and implementation problems are not unique and are contributing to slow project completion, yet they continue to be repeated. For example, 1979 and 1981 GAO reports on the AID Sahel development program and assistance to Egyptian agriculture showed that project delays resulted from inadequate host-government staffs and financing. Similarly, 1979, 1980, and 1981 AID reviews of a rural roads project in Colombia, a health project in Senegal, and a Kenya agricultural project, disclosed that the host governments did not provide expected personnel and/or financing to support the projects.

GAO and AID project reports and evaluation papers also revealed the need to better record and apply lessons learned. For example, in 1980 and 1981, GAO reported that AID had not

effectively recorded and used its experience in designing, programing, and implementing education and agriculture projects. Similarly, 1979 AID evaluation discussion papers on AID rural health, road, electricity, and water programs and a 1980 paper on irrigation programs, also observed the need to record and draw from experience in both project design and implementation.

Many of the above factors are current topics of discussion and study within AID and, as such, an indepth look at most of them was not included within this review. For example, AID is taking steps to better assess development progress and identify lessons from ongoing development experience. In October 1979, the AID Administrator requested that between 20 and 30 projects be evaluated, focusing on the project impact. In early 1982, the AID Office of Evaluation had completed 31 project impact evaluations in several representative sectors of the Agency development assistance program. Each evaluation identified lessons learned. That office plans to eventually summarize and analyze the results of all the studies in each functional sector and relate them to program, policy, and design requirements.

Study and discussion notwithstanding, however, the slowdown in project completions severely limit the U.S. ability to successfully assist countries in their development efforts. Thus, all practical means available must be used to improve this record. Therefore, this report focuses on the Agency's use of a tool that should be readily available to them--their own project development experience--and how they collect and use this information.

## OBJECTIVES, SCOPE, AND METHODOLOGY

The objectives of this review focused on determining

--whether the knowledge and experience that AID gains from designing, implementing, and evaluating projects are being used in project design and implementation;

--how well the experience from other projects is being identified, recorded, and entered into the institution's memory system; and

--the extent that AID staff use, and find useful, the AID Development Information System to obtain and incorporate past experience in project design and implementation.

During the period September to December 1981, we asked AID project officers how they identify, record, and use experience in designing and implementing projects. We interviewed over 120 staff members in the AID Africa, Asia, Latin America and Near East regional bureaus, as well as staff members at overseas missions in the Dominican Republic, Honduras, Mali, Morocco, and Thailand and at the regional development support offices in the Ivory Coast and

Kenya. In addition, because the AID Development Information System is intended to be AID's development project experience memory for alternative project development approaches and experience, we asked the above AID staff, as well as officials who manage and operate the system, what use is made of this system and whether it is serving its intended purposes. We also reviewed five completed projects to determine (1) how well their past experience had been identified and recorded and (2) the extent to which this information had been entered into the institution's memory system.

At our request, the AID Office of Financial Management provided a computer listing of all projects begun any time after January 1, 1973, and completed on, or after, January 1, 1977. We chose these dates to allow time for any "new directions" projects, which might have started in 1973, to be completed. The 345 completed projects on the listing represented AID recent attempts to implement the new directions mandate and Agency policies and procedures. Thus, these 345 completed projects served as the universe from which we selected five for detailed review.

We used two main criteria in our project selection process. The first was selecting projects only from the "agriculture-single function" technical field because the largest funds spent overall on completed projects were contained in this category. The second was selecting individual projects which exceeded $4 million. Applying these criteria narrowed the universe to 22 projects. Further factors considered in arriving at the final five included: geographic and project type (irrigation, livestock, farm credit, etc.) representation; the current political situation in a country; and the current existence of an AID mission in the country. We selected and reviewed these completed projects.

--Agriculture Loan Sector I, 517-0110 - Dominican Republic

--National Cadaster, 522-0111 - Honduras

--Triffa High Service Irrigation, 608-0126 - Morocco

--Livestock Development, 688-0201 - Mali

--Agriculture Development, 493-0268 - Thailand

Our review of these five projects was not intended to be an assessment of individual project, staff, or mission effectiveness. Rather, our intent was primarily focused on how they, as representative examples of existing policies and procedures, were identifying and recording the lessons learned from their projects and the extent to which this information was being entered into the institution's memory system.

This review was conducted in accordance with General Accounting Office "Standards for Audits of Governmental Organizations, Programs, Activities, and Functions." We believe the composite picture presented in this report represents an accurate description of AID efforts to use and record lessons learned during Agency projects.

## CHAPTER 2

## USING AND RECORDING LESSONS LEARNED FROM PROJECTS IS NEITHER SYSTEMATIC NOR COMPREHENSIVE

The systematic and comprehensive identification, recording, and use of lessons learned from ongoing and past development projects can help identify project design and implementation problems which cause slow project completion, and also help identify the most successful alternative solutions to these problems. Furthermore, both the chances of future project success and more effective use of foreign assistance funds can be increased by building on, rather than ignoring, information and insights already developed. Accordingly, we reviewed how AID identifies, records, and uses the development experience it has gained, and is gaining, from current and past projects.

Despite the existence of AID requirements that encourage the use of lessons learned, we found that AID staff generally are not aware of such requirements. The AID staff often draws from past experience when designing and implementing projects, however, this use is highly dependent upon the personal initiative and experience of the individuals involved in a particular project. We also found instances where documents about project experience were not always prepared; were not always experience oriented; or, if prepared, were not distributed.

This chapter explores the AID process of identifying, recording, and using experience from implementing development projects.

### USING LESSONS LEARNED

Applying the experience of past projects will not always solve new design and implementation problems. We believe, however, that researching previous efforts to see how similar problems were addressed can provide alternatives and can also enhance the possibility of avoiding or successfully solving at least some design and implementation problems.

#### Confusion over requirement to use lessons learned

We found that the AID staffs in Washington and overseas were generally not aware of any official operating requirements which instruct them to use or document experience from past and ongoing projects. For example, many individuals who were involved day-to-day in designing projects told us specifically that project design requirements do not call for an analysis of past experience. One individual also told us that although he believes the AID

operations manual (Handbook 3) did have statements about the use of lessons learned, it did not have requirements to analyze past experience and state the results of such analysis.

The AID handbook requires that the development of a potential project be supported by a two-step documentation process and that at each stage--project identification document and project paper--alternate solutions to a development problem must be considered. Moreover, the handbook also states that the consideration of alternative solutions to a development problem should be explicit. The handbook points out that the ways similar problems were addressed in past and current projects should be considered in determining alternative solutions to a development problem. 1/

There is also confusion over the extent to which the AID staff should use lessons learned and whether (or how) they should document the use. For example, our discussions with AID staff show: (1) that past projects are analyzed for lessons learned to use in designing a new project but this had been done only intermittantly rather than on a regular, planned basis--lessons learned from past projects are not always considered--and/or (2) that including the experience gained from past projects in the design of new projects usually occurred informally by consulting past project papers or evaluations and/or knowledgeable colleagues--record of these actions, however, was not normally included in the project documentation.

Individual use of lessons learned

We found that the extent to which lessons-learned sources are first identified and then applied to the design and implementation of new AID projects depends highly upon the personal initiative and experience of the people involved in a particular project.

We found that the AID staff uses past experience and/or lessons learned to various degrees when designing and implementing projects. For example, the information and its use varies from reliance primarily on personal experience to a wide variety of sources such as project papers, evaluations, sector assessments, World Bank studies, and consultant experience.

To generalize and, at the same time, describe how lessons learned are typically being used by those designing projects in AID is extremely difficult. We believe, however, the following

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1/The AID Handbook identified the Office of Development Information and Utilization as the source of past and ongoing project information. (See ch. 3.)

observations from two project officers in the Latin America Bureau come close to describing what appears to be the norm.

--There definitely is not a comprehensive approach to identifying past experiences and using them in designing new projects.

--Word-of-mouth is the most frequently used method to find and apply lessons learned from sources.

Finally, even in those instances where an individual chooses to use a variety of sources in seeking out lessons learned, the sources usually are country- or region-specific. It appears that this stems from the AID staff perceptions that lessons learned either are not applicable outside a particular country or region, or that the staff often does not have sufficient time to identify lessons learned in other countries which would be useful. Comments from the AID staff show that (1) lessons learned are relevant and applicable within the same country, but that evaluations/lessons learned in other countries usually are not applicable or not relevant due to political, social, or economic differences, and (2) even if lessons learned from other countries are valid, time constraints sometimes limit their identification and use.

We do not contend that each lesson learned has universal applicability. We do believe, however, that some experience can be applied to more than a single country. This point has been demonstrated many times in numerous GAO and AID reports which indicated that the same design or implementation mistakes were being repeated in various countries.

Staff turnover and inexperienced staff

Because lessons-learned use depends extensively upon the personal initiative, work load, and experience of the AID project staff, there is a serious, inherent limitation that severely restricts their use. This limitation was ably stated by a bureau division chief who pointed out that "we have people turnover and therefore our 'memory' is horrendous." Other AID officials in Washington and overseas also said that using lessons learned is limited due, in part, to staff turnover and/or inexperienced staff.

One Washington manager noted that although lessons learned are considered, they are not used to the optimum degree because of personnel turnover. He said valuable experience gained on, or about, a project area is not readily available to others at a mission or office when the experienced individuals transfer to other missions or offices. Another Washington AID official said he believes very strongly that lessons learned should be formally recorded and used because experienced people have also retired

or are retiring. According to another Washington bureau official, many AID staff members in African missions have little project design and implementation experience, and their concern is to meet the basic project design requirements rather than to incorporate lessons learned into new projects.

Limited use of lessons learned due in part to staff turnover and inexperienced staff also surfaced in missions overseas both in terms of "memory" as well as project design and implementation. At one mission, the director noted that a deterrent to using lessons learned is the number of inexperienced staff which makes the experience base shallow and weakens the informal contact network. In fact, an officer in that mission said that, even though new to AID, the officer was responsible for preparing a project paper to document and justify a new project. The officer was faced with a lack of data and had no idea of where to seek help. The officer learned of a knowledgeable contact only through a consultant who happened to be at the mission.

In another instance, a project officer with little AID experience said that most team members who had originally designed the project he was now managing are no longer with AID. Thus, there is a tremendous loss of memory because their lessons learned have not been recorded. Furthermore, even the host-country memory is weak because the experienced ministry people are no longer associated with the project. Two other project officers at overseas locations pointed out that although personal experience is one of the best sources for lessons learned, the most imposing deterrent to using lessons learned is the rapid staff turnover within the mission. Thus, the in-house experience memory is weakened when personnel who have such memory are transferred.

The personnel turnover rate and number of inexperienced staff members, coupled with an apparent increased work load, further complicates the AID ability to record and use lessons learned. For instance, in 1973, AID had a direct-hire work force of about 5,400 Americans in technical, administrative, and managerial positions to carry out the AID charter which included 1983 active projects. As of December 31, 1981, AID had 3,997 Americans employed under direct-hire arrangements (1,494 in about 70 missions overseas and 2,503 in Washington, D.C.) to handle 1973 active projects in addition to the other facets of the AID charter. We did not make a detailed analysis of the effect of significant decreases in the AID work force and are aware of the Agency use of contractors, but the 26-percent decrease in staff while the number of projects remained nearly the same would ordinarily have a negative impact on AID operations. A change in the ratio of total staff to total number of projects from 2.7:1 to 2:1 further suggests that without an established, highly efficient system to capture, assemble, disseminate, and use lessons learned, AID's ability to effectively employ that important tool also dropped.

## RECORDING LESSONS LEARNED

We believe that lessons learned during a project can and should be generated and recorded throughout each project for future use by others. The form in which this is done is not as important as the fact that it is done. Further, this practice should be done in such a way as to appropriately record the pertinent information in a manner that will be useful to others.

### Documents not always prepared

In the Dominican Republic, where we looked at an apparently successful Agriculture Sector I loan project that was completed in 1980, we found that neither an evaluation nor a project evaluation summary (PES) (two lessons-learned-type documents normally required on every project) had been prepared on project completion. As such, the opportunity for capturing the reasons why this project--supported by $12 million in U.S. funds--achieved results, had impact, and achieved the intended purposes, has effectively been lost. The knowledge gained from this effort is now restricted to the experience and memory of those who worked directly on this project, most of whom have left the Dominican Republic for other assignments--and some of whom have left AID. Mission officials, although acknowledging that documents should have been prepared, emphasized that some Agriculture Sector I loan activities were continued under an Agriculture Sector II loan program, and the mission did not envision doing large-scale sector programs in the future. Therefore, they questioned whether the results of such documents would have future applicability in that country. We believe that explanation overlooks the fact that lessons learned from the project could be applied outside the Dominican Republic. Additionally, in Mali and Morocco we found that end-of-project PES documents had not been prepared for either project we looked at there.

AID staff told us that lessons learned are not routinely recorded during project implementation so they can be passed on to others. Several AID officials in Washington and overseas said they are not documenting lessons learned so that others could draw upon them. For example, one officer questioned what form lessons-learned records should take and where they would be stored. Presently, no formal attempt is being made to identify lessons learned and pass them on for others to use. Another officer said he has not identified lessons learned because he does not have the time to reflect on what went right or wrong and why during a project. He also said he did not have sufficient time to then write project experiences up in a usable form for others.

### Documents not always lessons-learned oriented

Throughout our review, we found instances where even when documents existed, the purpose of generating these documents was

not to capture and record lessons learned, and even if so intended, did not in fact do so. For example, in the Mali Livestock I Project, one substantive evaluation was made during that project from its inception in 1974 until 1978. The purpose for which the evaluation was generated, however, was not to capture and record the lessons learned but, instead, to develop a new sector project.

The documents being generated were also generally more historical or factual in nature than analytical. In other words, they did not really lay out the lessons learned from the projects by the people closest to them. Sometimes, the documents presented adequate facts for readers to analyze and determine the lessons learned. However, other times the documents were merely an historic record of what was originally intended and what eventually happened without any analysis about why certain events occurred. This latter type of document would be of limited potential use in designing a new project. As one officer in a mission pointed out, the major lessons-learned source is personal experience; the least effective source is evaluations. Typically, project officers' time is spent on designing and implementing projects, and "evaluations are put way down on the list of priorities". Thus, evaluations lack quality and cannot be relied upon. Other officers in Washington and overseas also said that with the Agency emphasis on starting projects, little time remains to do evaluations which would be reliable sources of what happened and why.

AID officials also expressed concern about the objectivity of project evaluation documents. Personal and political sensitivities, potential ramifications within the Agency or mission, and a desire to be rid of an old project so that more time could be devoted to a new project, were mentioned as some reasons why documents did not reveal incisive and meaningful lessons learned. Instead, pro forma documents casting most things in a favorable light and containing little useful information for the future are often generated.

Evaluations are also seen as not reliably recording lessons learned because of pressures to report results. Several officers in overseas missions pointed out that evaluations are not complete and candid. Evaluations are viewed as not adequately indentifying the underlying causes of success/failure; and people are reluctant to criticize their peers or other AID and host-government staffs and projects.

Little incentive to do good lessons-learned documents

A recurring theme identified in our review was a perception among some AID officers that the Agency had greater concern for starting projects in order to obligate available funds than in

having these same projects implemented. AID officers frequently said that the Agency was more oriented toward moving money than in implementing projects well. Given such a perception of their operating atmosphere, individuals believed that the staff is not normally inclined to take the time that might be needed to gather and record pertinent lessons-learned type information during the course of a project. They also believed that the staff is even less inclined to reflect back on a completed project to prepare a conscientious lessons-learned-oriented document. One division chief, for example, described the situation as one in which good implementers are not rewarded in the Agency and are, in fact, penalized because designers (those getting projects on the books) are the ones who normally get promoted and rewarded for their efforts.

Thoughts along these sames lines were expressed by another officer (who is currently overseas) when he told us that he believed AID should not reward personnel who obligate funds but rather reward those responsible for successfully implementing projects. He further said that he thinks too much time, effort, and reward, are spent on planning and programing, and not enough on implementation, including the use of lessons learned in implementation. Other AID officials in Washington and overseas also said that with the AID emphasis on obligating project funds little emphasis is placed on recording and using lessons learned. For example, an AID official said that the AID reward and promotion system emphasizes authorizing/designing projects and not on implementing/evaluating projects.

This is not to say, however, that quality lessons-learned documents are never being done. In Honduras, for example, a well-thought-out and well-presented PES document had been prepared in the National Cadaster Project. This document's major emphasis was on the reasons why the project achieved the outputs contained in the project design, but did not achieve the intended purposes sought as a result of these outputs. In reviewing this document, we found that the insights and lessons learned contained in it have potential applicability to both any future cadaster project undertaken elsewhere in the world as well as to any future project undertaken in Honduras. We also believe that the emphasis placed by the Mission Director on the need for lessons-learned-oriented evaluations and PES documents, as evidenced by his mission order on the subject, was largely responsible for creating a conducive atmosphere to produce such a document. Our discussions with the mission staff further revealed that probably no more than 20 days were needed to prepare the document.

Documents are at times only available at missions

Before our work at overseas missions, we reviewed the official files on our selected completed projects which are maintained

in Washington by the development resources and evaluation sections of the geographic bureaus. While overseas, we extensively reviewed project files which are maintained at the missions. In comparing what was officially known about the project (data included in the official Washington files) with what had actually been generated during the project (data included in missions files), we found instances where the official files did not contain lessons-learned documents which had been generated on the project.

For example, the official Washington files of the Agriculture Sector I project for the Dominican Republic contained evidence of three lessons-learned-type documents having been done on the project--a first-year evaluation done by the host government, an interim PES done by the mission, and an Auditor General report done in 1977. However, our review of the mission files found that at least eight other lessons-learned-type documents had been generated on this project. Similarly, the Washington files for the National Cadaster project for Honduras contained only two lessons-learned-type documents--a 1977 Auditor General audit report and a mission-generated critique of a detailed work plan submitted by the host government. Our in-country work, however, showed that frequent reports containing lessons-learned-type information had also been generated by the host government, the mission-assigned project advisor/monitor and the principal project consultant.

We did not find any single explanation for the omission of pertinent lessons-learned documents from the official project files in Washington. In some instances, mission officials told us that they believed the documents had been forwarded to Washington; in other instances, they told us they did not believe they were required to forward them to Washington. Regardless of the reasons, however, the effects remained the same--lessons-learned documents were not being centrally accumulated for potential future use by others and were not being seen beyond the mission for which they had originally been generated.

## CONCLUSIONS

The Agency operations staff does not appear to consider the identification, recording and use of lessons learned to be a high priority. Lessons learned are presently identified, used, and recorded by the staff in a manner that is neither systematic nor comprehensive. Rather than being viewed as useful for helping someone have the same success or avoid making the same mistakes, recording and using lessons learned are viewed as requirements which need to be minimally complied with and filed locally--if not otherwise avoided.

AID staff confusion exists over the degree and extent that the use of lessons learned are required. Confusion extends to

whether the use of experience should be documented. The extent and degree that lessons learned sources are tapped and used varies from individual to individual. The use is restricted primarily to the personal initiative and experience of individuals involved in a particular project. These individuals may or may not be inclined to seek out and apply lessons learned and they may or may not apply their varying degrees of personal development experience. The personal experience network for finding lessons learned used by many is inherently weak due to staff turnover and the existence of inexperienced staff. In addition, even when AID staff do use lessons learned sources other than personal experience, these sources are often restricted to the staff member's country or region.

Relevant and applicable lessons learned are not always systematically and comprehensively identified and recorded throughout the life of a project by those directly involved in the project. At times lessons-learned documents are not prepared, other times the documents prepared are not lessons-learned oriented, and still other times the documents have limited distribution. Little encouragement or incentive is provided to AID staff to conscientiously and rountinely identify, record, and forward to DIU the lessons that they learn.

Given the myriad of demands and requirements placed on AID staff, we believe that, unless management intervenes, a less-than-systematic-and-comprehensive approach to using and recording lessons learned will tend to continue. We further believe that a concerted effort from top AID managment is needed to both encourage and require the systematic and comprehensive identification, recording and use of lessons learned in designing and implementing projects.

RECOMMENDATION

Accordingly, we recommend that the Administrator, AID, require that AID staff identify, record, use, and forward to DIU lessons learned in project design and implementation. We further recommend that these requirements he supported by top AID management through the establishment of appropriate incentives.

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While responsible AID officials reiterated the extensive use of the individual efforts to obtain and apply lessons learned, they concurred with our conclusions and recommendation, and offered some suggestions which could help implement the recommendation.

## CHAPTER 3

## AID'S FORMAL INSTITUTIONAL MEMORY SYSTEM IS NOT COMPLETE AND IS NOT BEING USED BY PROJECT DESIGNERS

The Development Information System (DIS) is intended to be AID's development project experience memory for AID projects which were active in September 1974 or later. Alternate project development approaches and lessons learned from implementing specific designs are to be recorded for future AID project designer use by abstracting, indexing, and cataloging AID-generated project design and evaluation documents. Project evaluation documents, although varying in quality and comprehensiveness, are processed and made available through DIS as a means of

--alerting project designers to implementation problems, and

--bringing project development experience to bear on the design of new projects.

However, for DIS to be AID's project experience memory, it must first receive data. We found that DIS does not always receive project documents, and we found that project data is missing from the system. Moreover, the AID staff generally have not used, are not aware of, and/or do not know how to use, DIS. Some AID staff have formed negative, erroneous opinions of DIS.

This chapter analyzes how aware AID staff is of a service intended to provide them with lessons-learned type information and how well this service is being provided.

### WHAT INFORMATION DOES DIS HAVE?

DIS is only one of many services which the AID Office of Development Information and Utilization (DIU) provides. Their Research and Development Data base and their Economic and Social Data bank are two other major efforts. Their library offices provide general and technical reference services as well as project-specific research and development materials.

Effective February 22, 1982, DIS had information on 66 percent of the development projects active in 1974 or later. This information included development experience recorded from 3,280 projects and 7,786 project documents, in addition to information on 2,950 individuals and organizations which significantly contributed to project designs and implementations.

## DIS is intended to provide significant project design and evaluation information

DIU staff prepare, on request, a DIS computer report containing project design and evaluation information on sets of related projects. The reported projects can be selected by project number, subject, and/or geographic descriptions. The DIS report contains three types of information: (1) project design, (2) project evaluation, and (3) program evaluation.

### Project design

This part of the report provides abstracts or annotations of the major development activities within the projects, including a summary description of the project, plus project goals, purposes, outputs, and inputs. Each project description also includes

--a project number;

--the responsible mission/bureau;

--the project title;

--beginning and ending estimated fiscal years;

--estimated budget;

--the development problem that the project addresses; and

--the overall project strategy (loan/grant, life of project, bilateral/multi-donor, etc.).

### Project evaluation--country-specific

The project evaluation provides abstracts or annotations of such documents as (1) project appraisal reports, (2) project evaluation summaries, (3) special evaluation reports, (4) sector assessments, (5) audit reports, (6) annual reports, (7) periodic reports, (8) end-of-tour reports, and (9) selected airgrams and cables. Each document shows document type; publication date; document title; call number; author; organization; contract number; publication number; and other identification numbers.

### Program evaluation

The program evaluation provides the same type of information, as the project evaluation, but for evaluation documents relating to country, regional, or inter-regional programs.

## PAST PROBLEMS CITED BY AID STAFF

Management appraisals of DIU services completed during the past 3 years have reported problems in DIU management and operations. Based on these appraisals and discussions with the AID staff, we believe the most serious problems facing DIU's operation of DIS are the following.

--The AID staff in Washington and overseas generally does not know about DIS.

--DIS does not obtain user feedback.

--Documents are not always provided to DIS.

--Information analysis is not performed.

### AID staff unaware of DIS

The AID operational staff generally is unaware of, has not used, and/or does not know how to use DIS. Underuse of DIS prevails consistently among the AID staff in Washington and overseas. The DIU Deputy Director said that they recognize potential users are unaware of the services which DIU provides (including DIS). DIU has attempted to alleviate this problem by publicizing its services through, for example, presentation to participants in training or to individuals in AID offices. However, the AID staff continues to be unaware of the information DIS can provide, how available information can be obtained from DIS, or whether such information can help them in project design.

AID project officers and management officials in bureaus and offices in Washington said they do not use DIS to design and implement projects and that the AID staff does not know what DIS does, how it works, or how to tap into DIS. Most AID staff members at the AID missions in the Dominican Republic, Honduras, Mali, Morocco, and Thailand; and support offices in Kenya and the Ivory Coast, also (1) were unaware of the information the DIS can provide, (2) did not know how to use DIS, and/or (3) had not used DIS as a tool to design and implement projects.

The AID staff believes that DIS is a potentially useful mechanism that could complement and supplement the sources and mechanisms currently used to obtain and apply lessons learned in project design and implementation. However, the AID staff in bureaus, offices, and in the field believes that AID needs to inform the staff of DIS--what information it has and how to obtain such information.

The AID staff in Washington and overseas had two opposing views on whether DIS use should be required or simply encouraged: (1) top-level AID management should emphasize and require DIS use,

otherwise it will not be used; and (2) there should be no mandatory DIS use because when the AID staff is aware of DIS and find it useful, they will use DIS without being required.

Regarding when to, and who should, use DIS for project experience data, AID project officers and management officials in Washington and overseas made several suggestions which center around the following alternatives.

1. DIU should provide DIS data automatically on similar projects to those involved in project design. DIU should provide this data, for example, when the Annual Budget Submission, Country Development Strategy Statement, or the project identification document is presented for Washington approval.

2. Before the project proposal is sent to Washington for approval, the mission staff could be required to obtain and incorporate DIS data for similar projects.

3. The project review committees in Washington could be required to obtain DIS data on similar projects, to make the data available to design teams, and/or to ensure that project experiences are considered and documented in project documentation. Attempts to incorporate this approach have recently begun within the Asia bureau.

User feedback not obtained

DIU does not systematically obtain user feedback on the usefulness of DIU services, including DIS, to the users. User feedback is important to identify the extent to which the AID staff uses DIS, whether or not they find it useful, and whether potential improvements are needed to meet the needs of the AID staff members who design, manage, and implement projects.

User feedback is also important because AID staff members who have, or think they have used DIS, confuse DIS with other DIU information sources. Thus, the AID staff has formed, and may likely retain negative or erroneous opinions of DIS usefulness when, in fact, they have not tapped DIS, but some other DIU information source. For example, an officer in the Dominican Republic mission thought he had tapped DIS to help design a project but found the information to be too voluminous and too general and, thus, not useful. After examining the information, however, we found that it was not DIS information, but rather was xeroxed copies of cards from the card catalogue in the DIU-AID library and computer printouts of bibliographic references unrelated to DIS. When we showed the officer a DIS printout that provides project

design and evaluation abstracts, the officer said that such information would have been very useful in designing the project. We found four similar cases in Morocco and Honduras.

In another case, an officer from the Thailand mission recently visited DIU in Washington. As a test of DIU information services, he asked for DIU information on two subjects. Subsequently, DIU performed a computer search and sent two short bibliographies to the mission. Two mission officers were to further test the system by requesting specific documents from the bibliographies; these procedures would then be used as a sample that other mission staff could follow. We noted, however, that these bibliographies were neither the type of project design and evaluation information that the DIS provides, nor did the information mention DIS or what it can provide. The information provided came from other computerized bibliographic files--not DIS. Thus, the mission staff might become aware of certain DIU information sources and services, but might not become familiar with DIS as such.

Documents not provided to DIU

For DIS to be AID's project experience memory, it must retain data; however, for DIS to retain data, it must first receive the data. DIU, bureau, and mission staffs point out, however, that DIU is not routinely receiving data. We also found that DIS did not contain pertinent project data on five completed projects we reviewed.

The DIU Director said that DIU often does not receive mission documents and that this was a critical problem. According to another DIU official, data flows from the missions, to Washington headquarters, to DIU; however, much data is missing from DIS. About 75 percent of the data that is received comes through informal DIU arrangements with some part of AID; the remaining 25 percent is obtained "any way we can get it." Another DIU official noted that the manner in which DIS receives data is very disorganized and erratic. He said that although the AID Handbook requires all bureaus, missions, and offices to submit documents to DIU, the DIU staff does not have the time or the authority to enforce compliance with the requirement.

An African bureau project officer said that people do not routinely send information to DIU. He said that to the extent that project officers are not routinely required to transfer documents to DIU, the DIS cannot effectively serve as the AID memory for lessons learned. For example, that officer had served on a working group that, through their experience, knew of at least 10 projects which should have been recorded in DIS but were not because people were not required to send information to DIU. Although DIU may be on distribution lists, project officers simply do not send documents to DIU. Project officers have not been

required to do so, and officers attach a higher priority to their other duties.

A February 1980 AID study of DIU stated that the AID institutional memory objective was thwarted by a circular problem: partly because the institutional memory is incomplete, it is underused; but the memory is incomplete because users are not providing the memory. An African bureau division chief also noted this same problem, stating that there was a vicious cycle in that bureaus should be more conscientious about supplying data to DIU. Although DIU is routinely on distribution lists, the staff does not send information to DIU. A mission director also pointed out that missions many times do not forward data to Washington.

In reviewing five selected projects, we saw ample demonstration of minimal input of information into the system. Before we started our overseas work, we tapped the DIS system for a listing of all the lessons-learned or evaluation documents contained in it on our selected projects. In comparing these printouts with the lessons-learned and evaluation documents we came across incountry, we found the DIS information to be incomplete for all five of the selected projects. The printouts for the agricultural development project reviewed in Thailand and the Triffa High Service Irrigation Project in Morocco contained no information at all on any evaluations or lessons learned in connection with these two projects. Yet, our work in both these countries established that such documents had actually been done but had obviously not been entered into the system.

Although not as extreme for the other three projects reviewed (i.e., some lessons-learned and/or evaluation documents were contained in the DIS printout) each listing was also incomplete. In each case, there was no listing or even reference to key lessons learned or evaluation documents. For example, for Honduras the only lessons learned-type information contained in the printout was a mission-generated critique of a detailed work plan submitted by the host government. There was no listing for any periodic evaluative documents generated by the host government, principal consultant, or mission-assigned project advisor/monitor. Likewise, for Mali, the only listings were for two Auditor General reports which had been issued, but there were no listings for major project evaluations.

DIU does not perform information analysis for AID staff

Although the AID staff generally lacks knowledge about what DIS is and what information it can provide, some AID staff members nevertheless perceive DIU/DIS as providing raw, library-type information rather than needed information analyses. They suggest that DIS should not provide only a computer run of information. The staff believes DIS should provide lessons-learned analyses

drawn from AID and other donor experiences which are common to all projects in addition to alternate solutions. Also suggested was that DIS should use experienced project officers to assist in these analytical efforts, and/or two-way exchanges between the AID staff and DIS are needed to improve DIS information. As previously cited, DIS is intended to provide project design and evaluation information abstracts for sets of related projects. Thus, this type of information analysis is potentially available.

In the past, the DIU staff provided an analysis service that tapped both DIS project experience data and other sources, such as World Bank appraisals and audits and other external data bases of journals and publications. The service provided AID mission staff and AID contractors summarized information on AID and other donor experience in designing and implementing development projects before the work of the design team. However, DIU no longer offers the service because of budget and staff limitations. This past information analysis capability and DIS completing its intended purposes, could help fulfill the information needs which the AID staff currently suggested if both were made available and used by AID staff.

The DIU service has moved away from emphasizing project design support to the missions. As a result, missions get "piles of documents" instead of "hard analysis," and providing lessons learned has also been shifted to providing general library and reference services. According to a DIU official, this shift will be exacerbated by

--abolishing several DIU permanent staff and all part-time positions; and

--replacing the DIU staff with contractors who will know little about AID.

The current need for information analyses is further evidenced by comments made in the Asia bureau's evaluation plan for fiscal year 1982. Missions have frequently stated the need for syntheses and analyses of evaluation and research findings in such sectors as potable water, agricultural research and extension, fertilizer, and energy. Analysis is needed, for example, on (1) AID and other-donor experience, (2) factors which are critical to project success, and (3) modifications to AID projects and policies or host-government policies which would enhance success. As indicated in the bureau's evaluation plan, individual evaluations contribute to this kind of information need, but broader analysis on a regular basis is needed.

## CONCLUSIONS

DIS is a potentially valuable and useful tool for AID staff to use in obtaining past experience and lessons learned which can

complement and supplement personal experience and other mechanisms which the AID staff currently uses. The use of DIS, however, and the value of its service are limited due to

--lack of staff knowledge about DIS,

--lack of user feedback,

--the necessary documents not being entered into DIS, and

--lack of an information analysis service for AID staff.

Therefore, DIS has become virtually non-operational in providing lessons learned to project designers, and DIU has inadequate records of project experience.

AID staff have made suggestions to us on actions they believe are needed to improve the situation. To be successful, however, these actions will require coordinated emphasis and support from the AID top-level management and AID staff, not only in DIU but also in Washington bureaus and offices and in the overseas missions.

## RECOMMENDATIONS

Based on our observations and suggestions by AID staff members, we recommend that the Administrator, AID, implement actions to

--increase AID staff awareness of available DIS information and how to use the system;

--require that DIS be used;

--ensure that DIU receives project and related lessons learned documents;

--require an exchange of constructive feedback between the DIU and AID staffs on DIS; and

--establish an information analysis capability to assist AID project designers and program managers.

* * * * *

Responsible AID officials basically agreed with our conclusions and recommendations. Many expressed the opinion that DIU was spread far too thin to be effective and needed to have its focus redefined. Some suggested the AID information analysis capability should be quickly reinstated and brought to the level of the original Agency plans for its creation, then utilized extensively.